(c) whether it is a fact that Government have since decided against implementing the said disinvestment proposal despite Cabinet approval;

(d) if so, the reasons therefor; and

(e) if not, road-map for its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. On 22nd June, 2006, Government approved the following disinvestment proposals:

(i) Sale of 10% equity out of Government shareholding of 93.56%, in Neyveli Lignite Corporation Limited;

(ii) Sale of 10% equity out of Government shareholding of 87.15%, in National Aluminium Company Limited.

The volume of fund to be generated from the aforementioned disinvestment transactions would depend on the market conditions and other relevant factors at the actual time of sale. The proceeds from disinvestment in Central Public Sector Enterprises would be channelised into the National Investment Fund (NIF), which was constituted in 2005-06. According to the present scheme of NIF, 75% of the annual income of NIF will be used to finance selected social sector schemes, which promote education, health and employment. The residual 25% of the annual income of NIF will be used to meet the capital investment requirements of profitable and revivable Central Public Sector Enterprises that yield adequate returns, in order to enlarge their capital base to finance expansion/diversification. There has been no accrual to NIF so far.

(c) to (e) In view of representations about the process of disinvestment in some Public Sector Enterprises, Government has decided, on 6th July, 2006, to keep all disinvestment decisions and proposals on hold, pending further review.

FDI in telecom, insurance and civil aviation sectors

1549. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are likely to increase the FDI in telecom, insurance and civil aviation sectors;

(b) if so, the details worked out so far;

(c) if so, the present status of FDI in each category; and

(d) the steps being taken by Government to protect the interests of employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) There is no proposal at present to increase the FDI in telecom, insurance and civil aviation sectors.

(b) Does not arise.

(c) The present status of FDI in each sector is and under:

SI.No. Sector	FDI cap/equity
1. Telecommunications	
(a) Cellular-Services, ISP with gateways, Radio paging, end-to-end bandwidth	74%
(b) ISP without gateway, infrastructure provider providing dark fibre, electronic mail and voice mail, manufacture of telecom equipments.	100%
2. Insurance	26%
3. Civil Aviation	
Domestic Airlines	49%
	100% by NRIs
(No direct or indirect equity participation by foreign airlines is allowed)	
Airports	74%
Delhi/Mumbai airports only	49%

(d) The interest of employees are well protested under the various provisions of the respective regulations/guidelines pertaining to these sectors.